



LACK OF BOTTOMS DELAYS SHIPMENT OF CUBAN SUGARS

Storage Facilities Are Not Adequate To Handle Big Shortage and Trouble Near

STABILIZING OF PRICE ENDS "SUGAR MARKET"

Shortage of Coal and Slow Arrivals Hold Back Refining; Brokers Disgruntled

Lack of insurable bottoms to transport Cuban sugars to market is playing havoc with the plans of the international sugar commission to relieve the sugar shortage. It develops that many of the bottoms which were expected to carry the Cuban crop to market are not insurable and hence not available. In consequence sugar is being put in Cuba and it appears storage facilities may be inadequate. These reports are contained in the weekly letter which one of the large sugar agencies here has received from its New York representative.

It also appears that what was formerly known as the "sugar market" is practically a matter of ancient history, since prices have been fixed and practically stabilized. The sugar market existed "before the war," as was the common expression in the south in the last century when referring to an event in the immediate past.

The New York letter bears date January 14 and says:

"Owing to the fact that there is no longer anything which comes properly under the designation of sugar market, the chronicling of what may turn out to be mere gossip of the street is all that is left to write. Now that the basis has been fixed at 6.00 cents duty paid, it is generally understood that nothing that may happen, except the sudden cessation of the war, will have the effect of breaking this price and yet it is just possible that there may be temporary advances from time to time which will relieve the monotony."

The international sugar commission continues to buy all Cuban sugar duty free, but the certainty of satisfactory and insurable tonnage is causing an end of concern. Steamers which had been allotted to certain ports were afterwards found unsuitable and had to be rejected. We understand that 1,200,000 bags in the carrying capacity of steamers is all that can be expected, and that the balance of the 2,000,000 bags will be ready this month, most of which will have to be warehoused in Cuba somehow. Despite all past experience some factories are still without adequate storage facilities, and to keep these imprudent concerns working at a reasonable percentage of their capacity will tax the energies of the sugar commissions and shipping agents.

Fuel Administrator Criticized

The drastic orders of Doctor Garfield, our coal dictator, have evoked such a clamor as has not been heard in years, but if this is the only way to start the supply ships for Europe everybody is quite willing to be sacrificed. We have no special animosity towards coal, but in general, but we hardly think it possible for them to become traffic managers by intuition, nor can we see the wisdom of appointing a silvermouth to solve problems in transportation of coal. When we learn that large numbers of anothers have been devoted for vessels, the keels of which have not yet been laid, we begin to wonder if we are not after all in topey land. One newspaper features the situation with a large type heading:

A BIG THOUGHT FOR TODAY
under which in very small print follows:

"Government Ownership"

Merchants Pile Up

"Cuba is now manufacturing sugar rapidly and piling up a surplus against future needs. It is pretty well understood on the street that practically all of this year's crop has been bought by the United States government by arrangement with the Cuban government, and that as soon as certain details have been settled, the facts will be published. The appointment of 'Jimmy' Callaghan as assistant to Mr. Mott in the buying department of the International Sugar Commission is one of the most popular acts of the chairman of the committee."

Figures from Cuba for week ending 12th instant are:

"Himely" Gums	74,456	71,654
Receipts	36,736	37,141
Stocks	95,503	100,068
Centrals	158	158

Of these exports 29,770 tons were to Atlantic ports and 7,371 tons to New Orleans and Gulf ports.

The number of Centrals operating today is reported to be 169 as against 162, 154 and 148 in the three preceding years. Owing to a belief that some factories have greatly increased their storage capacity during the past year, it is thought that statistics as to stocks at the ports will be far from representing the actual stocks on the island this year.

"The situation in respect to refined sugar is but little relieved. Refiners, it is true, are beginning to get a little sugar but, until they get coal also in sufficient quantities, can make but little headway. The rivers are still blocked with ice and coal barges keep dis-

SUGAR SHIPMENTS SPEED UP AS SEASON ADVANCES

More Than Fifteen Thousand Tons Move in Eight Days and Comparatively Little Is in Storage Awaiting For Departure

Sugar shipments have gone merrily forward in the past eight days in a way at a speed that has not been heretofore known since the new crop first began to move in the Seneca in December. In that period forty percent as much sugar left the islands as had previously departed.

All of the recent departures have been for Crockett and seven vessels have carried 15,196. Previously shipments had been 37,691 so to date there has been sent away 52,887 tons or not far from a tenth of the estimated crop for this year.

The vessels departing and their cargoes have been: Seneca, 3769 tons; Columbia 1300; Governor 1435; Manoa 3090; Star of Italy 2147; Enterprise 1457; Iris 3200.

These shipments pretty well clean up the Western sugar at the present time for the grind is going forward slowly. Early fears, expressed in some quarters, that there might be an inadequacy of storage accommodations and sugar would pile up for lack of necessary bottoms to carry it with no place to store it here, are thus far found to be entirely unwarranted.

Recent reports by later-Island steamer piers told of 17,387 bags of sugar awaiting shipment on Kauai 29,475 on Hawaii and 9000 bags brought here, which in all makes nearly 2793 tons.

Ships Arriving

It is becoming more and more evident that the food administration is desirous of moving Hawaiian sugar as rapidly as may be possible and has the cooperation of the shipping board so far as is possible. It is true the type of vessels employed are in many instances slow but that for the shipping facilities have been quite adequate to move the sugar ground and the plantations are not hurrying the grind so that the shipping situation has proved far simpler than had been generally feared.

PRICE FOR WASHED SUGAR DISPLEAS

Louisiana Producers Claim Discrimination Against Them and For Refineries

NEW ORLEANS, January 26—The schedule of washed sugar prices recently issued by the international sugar committee which allow a maximum differential of only sixty-five points over the price of raws for such sugars, has created quite a stir in Louisiana sugar circles, where practically all of the so-called washed sugars in the United States are made. Planters and other self men in the State are wondering if there is any quality reason why the price of refinery granulated sugar should be 130 points over the raw price and the price of Louisiana sugars which are at least equally pure, only one-half of this differential.

They say that the only good reason for such a discrimination would be found in the fact that the refiners' sugars were better from the standpoint of health, or some other reason more solid than the mere slight difference in their appearance. Such things as these are making the planters and cane farmers of Louisiana more and more suspicious of the international sugar committee, of refiners, and there is talk of the necessity of taking some strong steps towards having the President appoint a domestic sugar producer on the committee. This rule, the cane growers of Louisiana believe is positively the most self-evident regulation the committee could have asked the committee to prescribe, if they had been permitted to suggest anything of that kind. Not that the planters think that there was any suggestion made of this character, but they feel that it was an ideal rule as even the most avaricious refiner could have desired.

E. A. Rauhold says that in his opinion the proper way to fix prices on sugar is to start from the refiner's granulated price downward, and not from the raw price up. A twenty-five point differential between plantation products and refiners' goods is the widest differential justifiable, in his opinion of almost every man talked to on this matter.

appearing under the waters with heart-breaking frequency. Quotations for refined sugar are nominal at the same fixed rate as since seventh instant 7.45 cents less two percent.

"The brokers in refined sugar are maintaining a determined barrage fire on the president of the American Sugar Refining Company and the latter keeps replying through the press with mortars, machine-guns and camouflages generally, winding up always with 'Spoken it with Domino' by way of a starlight."

"It is of interest to note that the International Sugar Commission has promulgated rules and regulations covering profits and sales of raw and washed sugars to buyers other than refiners. These washed sugars must have a color not less than No. 20 Dutch standard."

HAWAIIAN COMMERCIAL AND SUGAR COMPANY'S new office building at Puunene, Maui, and the office staff which occupies it. This is one of the finest office buildings to be erected on any of the plantations of the islands.



Biggest Producer Has Best Offices of Any Plantation

It is manifestly proper that the largest producing sugar plantation of the islands should have the most up to date and the best equipped office building to be found on any of the island plantations and recent visitors to Puunene where is located the office and the staff of the Hawaiian Commercial and Sugar Company say that such is the case.

The new concrete office building shown in this picture was completed with the first of the year and now houses the office staff which is also shown in the picture. The building is architecturally attractive and convenient in all of its building details and with it is an equipment which includes practically every modern device essential to the conduct of the business of a plantation office. All of the office furniture is metal and the building and furnishings and furniture are designed to be as nearly fireproof as is practical in the circumstances.

Hawaiian Commercial and Sugar Company has for years ranked as the largest producer of the islands, its smallest output in the past twelve years being 43,604 tons and its largest slightly in excess of 60,000 tons.

ANNUAL MEETINGS WILL NOW COME FAST

Annual meetings of the various sugar and plantation companies of the islands and of the large corporations which are their agents will soon be the order of the day, commencing next week. Already a number of companies have published their notices of annual meetings and after next Monday they may be expected to follow one upon another thick and fast.

The first of the annual meetings thus far announced will be that of C. Brewer and Company, to be held next Monday, and six Brewer companies are to hold meetings next week, all on Wednesday, February 13. These will be Olowalu, Waimanalo, Honouliuli, Waialae, Kau Agricultural Company and the Woodlawn Fruit Company.

On Thursday and Friday of next week four of the Hackfeld companies will have their annual meetings. On Thursday Lahaina Agricultural Company and Pioneer will meet and on Friday Oahu and Waialae meetings will be held.

Of the meetings thus far announced most interest attaches to those of Oahu and Waialae Tannal company for the instance of the annual reports will in all instances follow the annual meeting of stockholders. Owing to the fact that the stock of the Oahu company is one of those most frequently dealt in on the local exchange and it has been reported that it may have the largest or second largest crop this year, the publication of the Oahu Sugar Company report is waited with most interest by the general public.

So closely connected is the Waialae Tannal company with the Oahu Sugar Company that almost equal interest attaches to its report for that reason. Aside from this, however, this big report, which is being prepared so successfully and as to which only about a year ago there was heard much adverse criticism about the street, all of which proved to be founded on baseless rumors or reports, always commands public attention when mentioned—and the great results it has achieved are eagerly read.

A FORTY YEARS' TEST.

Chamberlain's Cough Remedy has been curing coughs and colds for the past forty years and has gained in popularity every year. What better recommendation is required? For sale by all dealers, Benson, Smith & Co., Ltd., agents for Hawaii.—Adv.



EXPORTATION COMMITTEE WILL SEE FULFILLMENT OF CUBAN CONTRACTS

HAVANA, January 19—A "Cuban Sugar Exportation Committee" has been appointed by President Menocal, consisting of five members, Senor Carlos de Zaldar, chairman, and Senores Carlos Dufao, Ignacio Almogro, Luis R. Munoz and Heiberto Lobo, who will have authority to adopt any methods they deem necessary to fulfill the contract the Cuban producers have with the international sugar committee, and facilitate the shipments of the sugar according to the conditions specified in the contract.

The committee is authorized to organize an office, through which all business in connection with the exportation of sugar must be transacted; expenses of this office will be paid by the Cuban government. The committee has lost no time in starting to work, and as the men composing it are all well known in the sugar industry, it is expected that they will accomplish a great deal in moving the sugar crop successfully.

A circular letter has been sent out by the chairman to the exporters and administrators of the centrals of the island announcing the appointment of the committee and its purpose, and asking for cooperation on their part. It asks that any difficulties or delays in sugar shipments from the centrals be reported, along with any suggestions that may be offered as to the best way of overcoming these difficulties.

Menocal Signs Contract

On January 8 President Menocal signed the contract for the sale of 2,500,000 tons of sugar, as proposed by the international sugar committee, and at the same time signed two other decrees of great importance to the Cuban sugar producers. One fixed the price of Cuban sugar at 4.934 cents a pound at the ports of New York and Philadelphia, a price based on the 1914 cent freight rate fixed by the United States shipping board to these ports, the price to be higher if the sugar is shipped to other American ports in accordance with the freight rates fixed by the same board.

The prices for sugar shipped to Europe are set at 4.60 cents a pound from the north coast ports of Cuba, and 4.55 cents from south coast ports. Exportation cannot be made to other countries without permission from the Cuban government and the Cuban Sugar Exportation Committee, and all sales at a price lower than that specified in the contract with the United States and allied countries are prohibited. In the second decree, upon fixing the average price for liquidation of the cane growers, the college of brokers must take into consideration warehouse expenses, loss in polarization during storage, freight, interest on money advanced, and a proportional part of the new import on sugar. It is estimated that the total amount of these expenses will reach about 0.00445 cent a pound, which deducted from the price of 4.60 cents, leaves 4.5955 cents as a base of liquidation for the cane growers.

There are some objections to this estimate as being too low, and that the high rate of interest which must be paid on money advanced this year and the loss in polarization during a much longer period of storage than usual will tend to increase these expenses. The college of brokers will meet on Monday with the secretary of agriculture to discuss the best method of complying with this decree.

Crop Well Financed

The arrival in Havana of Senor Manuel Bionda, president of the Cuban Sugar Corporation, and Mr. E. B. Hawley, president of the Cuban American Sugar Company, has convinced the Cuban producers that everything possible that can be accomplished in New York relative to the successful harvesting of the crop of 1917-1918 will be done. Mr. William Merchant, president of the National Bank of Cuba, has also returned to Havana, and has announced that the Federal Reserve Bank has agreed to advance \$100,000 to the Cuban sugar producers to carry them until their sugar has been sold. The money is to be advanced upon presentation of a certificate of deposit of sugar in warehouse, and this amount is estimated to be enough to finance the crop until the sugar is paid for. Mr. Merchant also states that he has been assured that there will be plenty of ships for transportation of sugar to the United States. Owing to a contract recently signed by the United States and Holland, the latter, in exchange for food, will cede to the shipping board of the United States fifty ships, some of which will, no doubt, be used in transporting sugar.

The Cuban government has also offered to carry as much sugar as possible on the transport Kydonia (one of the interned German ships seized when Cuba declared war on Germany) which will soon make a trip to the States. About 18,000 bags can be taken on this ship, and a contract has been made with the Cuban All-Rail route to carry 25,000 bags of sugar weekly to Key West on the ferries that run daily between Havana and this port.

NO DAMAGE REPORTS ON LOUISIANA CROP

NEW ORLEANS, January 26—It is hardly possible to give any comprehensive report of the condition of the cane crop to be made and harvested during the year 1918, because it is all in its incipency as yet. No reports reach us of any damage having occurred from the extraordinary period of cold weather through which we have recently passed, and it seems to be the evident intention of our planters to increase their acreage in cane this year to some extent, and at this writing there are no unfavorable features to the general situation.

At this writing the weather is considerably milder than any we have recently experienced in this remarkable January, and there seems thus far to be a feeling of hopefulness and optimism which we hope will prove entirely justified throughout the year.

NORWAY SUGAR CARDS

Rationing measures with respect to sugar, bread and other foodstuffs have been put into effect in Norway, according to recent advice from Christiania. Sugar consumption is to be regulated by the use of individual sugar cards, without which supplies cannot be purchased.

SWISS RATION REDUCED

Under new food regulations recently put into effect by the Swiss government individuals in that country are allowed only one pound of sugar per month each, the United States Food Administration announces.

COMPANIES EXPECT EXTENSION OF TIME

Owing To Failure To Arrive of Forms For Reports Belief Prevails More Time Extended

Owing to the fact that blanks have not yet been received at the office of the internal revenue collector nor by the various plantation companies or their agents from other sources, the agents of the various sugar companies are inclined to believe there will be an extension of time granted for the filing of returns.

As it now stands the agencies and the plantations do not know what figures will have to be furnished the government in the returns which must be made under the law. The agencies believe that when the blanks do come it will be found information is asked which can only be obtained from the plantation managers and which may then take time to be compiled. For this reason they expect the extension, confident the government will not seek to exact the impossible.

What the various companies are to be is still a matter of more or less uncertainty and awaits the determination of a number of perplexing questions, not the least of which will be what is "invested capital" in each particular instance. Of course, the companies all have their advice on this subject from experts, but there will be instances where only an official decision can settle the status.

Some copies of the blanks issued for individuals with incomes in excess of \$5000 per annum have been received, these were not official blanks. They came to clients from the Corporation Trust Company, of which most of the sugar agencies here and other large firms are subscribers. That company has not, as yet, sent any of the blanks which are to be utilized by corporations.

HONOLULU BANKS WILL AID NATION

Are Asked By Secretary McAdoo To Invest Funds in Treasury Certificates of Indebtedness

Banks and trust companies of Honolulu are receiving a cablegram from William G. McAdoo, secretary of the treasury, asking them to reserve each week out of their loanable funds about one percent of their gross resources, or more, to invest in treasury certificates of indebtedness. This is done for the purpose of postponing the next Liberty Bond issue.

The secretary's cable, which is being sent out to all banks and trust companies in the United States, was received yesterday by the Hawaiian Trust Company. Within an hour after its receipt a directors' meeting was held at which it was voted to subscribe for treasury certificates at the rate of \$50,000 for ten weeks, making a total of \$500,000, or ten percent of the total resources of the company. The cable asks that one percent or more, not to exceed ten percent, be thus invested.

McAdoo's Message

The cable sent out by Secretary McAdoo says:

"Between now and the time for making the next Liberty Loan I shall offer for subscription treasury certificates of indebtedness in amounts of five hundred million dollars or more every two weeks."

I desire to postpone the next Liberty Loan issue until conditions will insure a wide distribution of the bonds throughout the country.

In order successfully to carry through this program and to provide for the expenditures for the military operations of the United States and the Allies I must have the wholehearted cooperation of the bankers of the United States, and to that end I request the board of directors of business of each bank and trust company to reserve each week out of its loanable funds for the use of the government one percent of the gross resources of their institution not to exceed in the aggregate ten percent and to invest that amount in treasury certificates of indebtedness.

The exact amount interest rate date and maturity (not exceeding nine days) of each issue of certificates will be announced from time to time by me through Federal Reserve banks.

"There is a steady growth in the movement for economy."

Banks Should Help

"Banks should be able by participating in the campaign for economy which means economy of credit as well as of expenditure to teach their customers to save and accumulate the means to buy the government certificates and bonds."

"By this method a distribution of treasury certificates of indebtedness should become possible which will relieve the subscribing banks of at least a part of their purchases and furnish the means of making payments for the next issue of Liberty Bonds without undue strain."

"The needs of the government for the war are great and imperative."

"The resources of the country are ample to meet these needs if every bank will do its share."

"I know that once it is realized that by complete cooperation all round and

IRON WORKS HAS CONTRACT FOR PHILIPPINE MILL

Contract Given For Plant With 1500 Tons Capacity Which Will Be Located About Seventy Miles From Manila

An order for a complete sugar factory to be erected in the Philippines has just been received by the Honolulu Iron Works. The contract price amounts to about \$1,000,000. News of this contract was received yesterday from W. G. Hall, manager of the Hawaii division of the company.

The sugar plant for the completion of which the Honolulu Iron Works has been awarded contract will have a capacity of 1500 tons of cane for a day or twenty-three hours. It is a duplicate in arrangements and design of one which the Honolulu company furnished to the same company, The Calamba Sugar Estate, in 1913 but will have a capacity twenty-five percent greater. So well pleased was the Philippine Company with the results secured by the first factory that it consulted the Honolulu company when it was determined to increase the present capacity by 125 percent through the erection of a new factory.

The site for the new factory is in the Pampanga district, about seventy miles from Manila on the Manila railroad.

The order for this new plant was placed by the trustees of the Calamba Sugar Estate from the officers of the company in San Francisco. Mr. Hall spent a week in San Francisco last month and during his stay there went over the matter of plans thoroughly with the trustees at that time it was decided to place the order.

Throughout the sugar producing world the reputation of the Honolulu Iron Works as a manufacturer of sugar machinery has spread, and it ranks with the foremost concerns of the world in this line. Its business both here and at the New York offices, has grown to enormous proportions.

LABOR SITUATION LOOKING BRIGHTER

Exodus Appears To Have Ceased and Improvement Is of Negative Character

Plantation labor conditions are reported as being better than they have been for the past few weeks. The improvement comes not from an increase of the number of laborers but from the fact that the exodus which has been in progress is reported to have practically stopped. This is the report from the bureau of labor and statistics of the Hawaiian Sugar Planters' Association.

After the payment of the bonus for the year to the plantation laborers there have been veritable exoduses, it has been shown, and this year there were more departing than before. This was occasioned, so far as the Spanish and Portuguese labor was concerned, by the reports which came to them of high wages which were to be obtained in the munition factories and in other industries on the mainland. Added to this was the growing disappointment they feel because of their inability to secure lands here under the present administration's ideas of homesteading. For several weeks men of these nationalities left by the dozen and the score, and the departures run up into the hundreds, when families are included.

While there is an admitted shortage of labor in the other islands, not especially different from other years, there is still little or no indication of any labor shortage on this island. At the same time it is encouraging that few indications of labor unrest are to be found. The laborers appear satisfied to meet the conditions growing out of the war and there have been few agitations, since the announcement of the bonus system as put into operation for the year after the meeting of the Planters' Association.

Beyond a cable which told of his arrival in Washington, there has been no word received from Royal D. Mead, head of the labor and statistics bureau of the association. He is there in the interests of the labor situation here, it is known, but the association has not announced what particular direction his efforts will be directed towards.

by every one doing his part this vital and patriotic service can be performed and every bank will do its share.

Critical Test

"We are approaching a critical test on the battlefronts in Europe. America's sons are now actually shedding their blood in the trenches."

"If the banks which are the first line of financial defense fail to support the government fully in its necessary operations we shall imperil America's army and America's safety."

"I know that I have only to state the case to command the support of every patriotic bank and banker."

"This is a supreme duty of patriotism."

"May I count upon you to do your part and to telegraph me immediately at my expense that you will?"

"I am sending this telegram to every bank and trust company in the United States."